



Alaska Senator
Bert Stedman

Honored to Serve Southeast Alaska



LEGISLATIVE UPDATES FROM SENATOR BERT STEDMAN
POSTED ON WWW.BERTSTEDMAN.COM



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Governor Signs Senate Bill 3 into Law

On August 10, 2017, I welcomed Governor Bill Walker and First Lady, Donna Walker to Sitka for a bill signing event. I then travelled with them to Ketchikan for additional bill signings. It's always a pleasure to have the chief executive and First Lady visit our Southeast communities.

Governor Walker signed Senate Bill 3 into law at the Allen Marine shipyard in Sitka. This bill continues the current oversight of wastewater treatment and requires the use of best available technology standards on smaller cruise ships and several Alaska Marine Highway ferries.



Crescent Harbor, Sitka

Photo Credits Office of the Governor

This bill preserves the ability of small cruise ships and ferries to economically operate and visit our communities. It's important to note that wastewater requirements for the large cruise ships remain unchanged.

A very special thank you to Representative Louise Stutes for carrying this bill through the House of Representatives.

September 12, 2017

Governor Signs Senate Bill 33 into Law

In Ketchikan, Governor Walker signed Senate Bill 33 which names the two ferries currently under construction at the state-owned shipyard. State law requires our ferries to be named after glaciers and the two new vessels will be named [Tazlina](#) and [Hubbard](#), respectively. It was indeed a pleasure to stand on the deck of the nearly completed M/V Tazlina built in Alaska by an Alaskan shipyard.



Vigor Shipyard, Ketchikan

Photo Credits Office of the Governor

Governor Signs Senate Bill 88 into Law

Governor Walker signed SB 88 into law at the Ketchikan Public Library with Deer Mountain in the background. This legislation completes a land transfer between the United States Forest Service and the Alaska Mental Health Trust Authority. As I've stated before, this bill is a win-win-win: the timber industry will receive an opportunity to work, the Alaska Mental Health Trust will raise revenue to serve Alaskans in need, and communities will not have logging in their adjacent lands and view sheds.

(L-R) Paul Slenkamp, Kinani Halversen, Kirk Dalstrom, Ray Troll, Bob Weinstein, Rep, Dan Ortiz, Gov. Walker, Sen. Stedman, Sen. Murkowski, Bryce Dalstrom, David Landis, Wyn Menafee, Dennis Watson



Ketchikan Public Library, Ketchikan

Photo Credits Office of the Governor

Special Session Update

After 36 days of special session both bodies in the Alaska State Legislature finally came to an agreement on the operating budget. A government shutdown has been averted. The operating budget for Fiscal Year 2018 that passed is \$4.2 billion which is smaller than last year's budget of \$4.35 billion.

While the Senate did not get all of its proposed operating budget reductions, we were able to keep downward pressure on the budgets and prevented an unnecessary income tax. The proposed income tax would have hit Alaskans right in the wallet in the middle of a recession and high unemployment. The Legislature also approved a permanent fund dividend payment of \$1,100.

Perhaps just as critical to the amount of the budget is the source of funding. The \$2.5 billion deficit will be filled with a draw from the Constitutional Budget Reserve (CBR) instead of from the Permanent Fund Earnings Reserve Account (ERA). Unlike the principal of the Permanent Fund, the ERA can be appropriated by the Legislature. It is used to fund dividends for Alaskans and is invested in ways that return 2 to 3 times more than the CBR. With a balance of \$ 12.8 Billion, the ERA should be allowed to grow as long as possible.

On principle, I believe any draw from the Permanent Fund should be constrained to an annual draw pursuant to law, to not be construed as a "raid". Any other use of the Earnings Reserve Account is unacceptable and unfair to future Alaskans because it will negatively affect future dividends and reduce the earning power of the ERA would be reduced.



Past and Present Senate Finance Committee Co-Chairs

(L-R) John Binkley, Pete Kelly, Lyman Hoffman, Rick Halford, Bert Stedman,
Dave Donley, Pat Borchot, Kevin Meyer, & Anna MacKinnon

Senate Bill 21 (2017)

I introduced Senate Bill 21 (2017) this session specifically because of this concern. SB 21 (2017) creates structural mechanisms within the Alaska Permanent Fund payout laws that would preserve the fund's purchasing power, protects the fund from being raided by the Alaska State Legislature, provides for a fair dividend to all Alaskans, and places downward pressure on government spending by limiting the total draw from the fund at 4.5%.

The Alaska Permanent Fund Executive Director Angela Rodell, said on-the-record during committee testimony that SB 21 (2017) is "very straight forward" proposal. If you would like more information about SB 21 (2017) including listening to committee discussions, or read the minutes of the committee presentations, click [here](#).

Personal Legislation

While this has been a tough special session in regards to our budget and fiscal problems, there have been some bright spots. I sponsored 3 of the 12 senate bills (25%) that have passed both bodies and sent to Governor Walker to become law. My staff and I spent many hours preparing these bills last fall and shepherding them through the legislative process this winter and spring. Those bills are SB 3—Small Vessel Wastewater Exemption, SB28—Municipal Land Selections: Petersburg, and SB 88—Alaska Mental Health Trust Land Exchange. You can read previous blog posts for an overview of those bills.

My staff and I also constantly review projects in the district and work diligently to move them through various agency long permitting and review process. The Shelter Cove Road and the Vallenar Bay Road are examples of success.

Stedman Appointed Chair of Legislative Budget & Audit Committee

On August 14, 2017, Senate President Pete Kelly announced that I will now chair the LB&A committee is one of two permanent interim committees of the Alaska State Legislature, the other being the Legislative Council.

Senator Gary Stevens had to step down from chairing LB&A because of his candidacy for Lt. Governor. State law prohibits legislators from serving on the committee if they file to run for statewide office.

The committee is responsible for ensuring that legislators are provided with nonpartisan and unbiased fiscal analysis, budget reviews, and performance reviews of state agencies. The committee also has the authority to monitor lending and investment activities of the state. Two independent agencies fall under the auspices and purview of the LB&A committee:

1. [Division of Legislative Audit](#).
2. [Division of Legislative Finance](#).

I am very grateful for the opportunity to serve Alaska and I look forward to this extra duty and the challenges it will bring.

Project Updates

The following projects are in the capital budget (Senate Bill 23) and was signed into law on July 31, 2017 by Governor Walker. My office continues to monitor all projects in the district.

Ketchikan Airport Ferry Rehab	\$1,500,000	(federal)
Ketchikan – Airport Master Plan	\$400,000	(federal)
Ketchikan – Cruise Ship Berths	\$2,000,000	
Ketchikan – Airport Road Rehab	\$3,200,000	(federal)
Ketchikan – Airport Road Bridge Rehab	\$1,500,000	(federal)
Ketchikan – New Airport Ferry Berth	\$10,500,000	(federal)
Ketchikan – Tongass Highway Rehab	\$5,000,000	(federal)
Ketchikan – Upland Improvements	\$5,000,000	(federal)
Sitka – Sawmill Creek Road	\$3,200,000	(federal)
Sitka – Airport Property Acquisition	\$400,000	(federal)
Wrangell – Shoemaker Harbor	\$5,000,000	
Hoonah – New dock Mooring Buoys	\$2,000,000	
Hoonah – Outer Point Dock	\$500,000	
Kake – Keku Road Rehab	\$2,000,000	(federal)
Klawock – Airport Improvements	\$6,200,000	(federal)
Angoon Airport Design	\$4,300,000	(federal)
Hydaburg – Fuel Dock Improvement	\$281,393	
Pelican – Main Street Rehab	\$1,600,000	(federal)
Inter-Island Ferry Authority – Ferry Refurbishment	\$3,500,000	(federal)
Inter-Island Ferry Operations	\$250,000	
Alaska Marine Highway System – AK Class Ferry Completion	\$4,430,000	
Alaska Marine Highway System – Construct/lease/purchase	\$5,000,000	(federal)
Alaska Marine Highway System – Ferry Refurbishment	\$12,000,000	(federal)
Alaska Marine Highway System – Terminal Refurbishment	\$3,000,000	(federal)
Alaska Marine Highway System – Tustemena Replacement	\$222,000,000	(federal)
Alaska Marine Highway System – Vessel & Facilities Upkeep	\$12,000,000	
Clarke Bay Ferry Terminal Rehab	\$1,700,000	(federal)



September 12, 2017



Mt. Edgecumbe Aquatic Center is expected to be completed and operational on January 1, 2018 for the students attending Mt. Edgecumbe High School.

INTERIM CONTACT INFORMATION

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